

***OKLAHOMA CITY REDEVELOPMENT AUTHORITY***  
***(A COMPONENT UNIT OF THE CITY OF OKLAHOMA CITY, OKLAHOMA)***

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2024 AND 2023

WITH

INDEPENDENT AUDITOR'S REPORT



OKLAHOMA CITY REDEVELOPMENT AUTHORITY  
(A COMPONENT UNIT OF THE CITY OF OKLAHOMA CITY, OKLAHOMA)

FINANCIAL STATEMENTS

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**FINANCIAL STATEMENTS**

Years Ended June 30, 2024 and 2023

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees

**Oklahoma City Redevelopment Authority**

Oklahoma City, Oklahoma

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Oklahoma City Redevelopment Authority (Authority), a component unit of the City of Oklahoma City, Oklahoma, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Authority, as of June 30, 2024 and 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 - 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the budget-to-actual expenditure comparison (project life-to-date) and related notes but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If,

based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

*Allen, Gibbs & Houlik, L.C.*

CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS  
November 21, 2024

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Years Ended June 30, 2024 and 2023

***Introduction***

This management's discussion and analysis of the financial performance of the Oklahoma City Redevelopment Authority (Authority), a discretely presented component unit of the City of Oklahoma City, Oklahoma (City), provides an overview of the Authority's financial activities for the years ended June 30, 2024 and 2023. It should be read in conjunction with the accompanying financial statements of the Authority.

***Financial Highlights***

- Cash decreased in 2024 by \$16,775,447 and increased in 2023 by \$14,478,081.
- The Authority's capital assets increased in 2024 by \$68,242 and increased in 2023 by \$10,595,063.
- Total liabilities decreased in 2024 by \$15,620,316 and increased in 2023 by \$10,841,381, respectively.
- The Authority's net position increased in 2024 by \$1,805,745 and decreased in 2023 by \$15,981,351.

***Overview of the Financial Statements***

This discussion introduces the Authority's basic financial statements. The basic financial statements include the: 1) government-wide statements; 2) fund financial statements; and 3) notes to the financial statements.

The government-wide financial statements report the Authority as a whole. The statements of net position and activities are presented using the economic resources measurement focus and the accrual basis of accounting, similar to private business enterprises.

The fund financial statements; the balance sheet and statement of revenues, expenditures, and changes in fund balances, are presented using the current financial resources measurement focus and the modified accrual basis of accounting. These statements measure only the current financial resources available to the Authority. Also included are reconciliations of the fund financial statements to the government-wide financial statements outlining the differences between the two sets of statements.

***Statement of Net Position***

The statement of net position presents assets, liabilities, and net position. The purpose of the statement of net position is to present to readers of the financial statements a fiscal snapshot of the Authority.

From the data presented, readers of the statement of net position are able to determine the assets available to continue the operations of the Authority. They are also able to determine how much is owed to the Authority and how much the Authority owes its vendors and lenders.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Years Ended June 30, 2024 and 2023

Total assets of the Authority decreased by \$13,814,571 in 2024 and decreased by \$5,139,970 in 2023. In 2024, a decrease in cash primarily resulted from the repayment of the Skirvin Hotel proceeds to the City. In 2023, increases in capital assets and cash were offset by decreases in investments and receivables. Total liabilities decreased in 2024 by \$15,620,316 and increased 2023 by \$10,841,381, respectively. In 2024, there was a significant decrease in funds held on behalf of other governments. In 2023, increases in funds held on behalf of other governments and due to the Oklahoma City Economic Development Trust (OCEDT) were offset by decreases due to Urban Renewal and long-term debt.

In 2024, capital assets increased \$68,242 as work continued on the Innovation District Project. In 2023, capital assets increased \$10,595,063 due to the commencement of the Innovation District Project and receipt of capital contributions related to capital assets the Authority will own, and long-term debt decreased due to the final payments made on the outstanding debt.

**Summary of Net Position**

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>% Change</u>	<u>2022</u>	<u>Change</u>	<u>% Change</u>
Current and other assets	\$ 14,550,043	\$ 28,432,856	\$ (13,882,813)	-49%	\$ 44,167,889	\$ (15,735,033)	-36%
Capital assets	14,409,839	14,341,597	68,242	0%	3,746,534	10,595,063	283%
Total assets	28,959,882	42,774,453	(13,814,571)	-32%	47,914,423	(5,139,970)	-11%
Long-term liabilities	4,957,857	5,000,000	(42,143)	-1%	72,707	4,927,293	6777%
Other liabilities	657,443	16,235,616	(15,578,173)	-96%	10,321,528	5,914,088	57%
Total liabilities	5,615,300	21,235,616	(15,620,316)	-74%	10,394,235	10,841,381	104%
Net investment in capital assets	14,008,544	13,940,302	68,242	0%	3,295,547	10,644,755	323%
Restricted	9,336,038	7,598,535	1,737,503	23%	34,224,641	(26,626,106)	-78%
Net position	<u>\$ 23,344,582</u>	<u>\$ 21,538,837</u>	<u>\$ 1,805,745</u>	8%	<u>\$ 37,520,188</u>	<u>\$ (15,981,351)</u>	-43%

**Summary of Changes in Net Position**

The statements of activities report how the Authority's net position changed during the fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. For the year ended June 30, 2024, net position increased by \$1,805,745 and for the year ended June 30, 2023, net position decreased by \$15,981,351. The increase in current year and decrease in prior year net position was due primarily to fluctuations in non-capital related economic development expenses incurred related the commencement of the Innovation District project in fiscal year 2023.

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>% Change</u>	<u>2022</u>	<u>Change</u>	<u>% Change</u>
Operating grants, contributions and restricted interest	\$ 620,903	\$ 16,792,034	\$ (16,171,131)	-96%	\$ 343,791	\$ 16,448,243	4784%
General revenues	2,935,250	2,723,772	211,478	8%	3,715,714	(991,942)	-27%
Total revenues	3,556,153	19,515,806	(15,959,653)	-82%	4,059,505	15,456,301	381%
Economic development expenses	1,750,408	35,497,090	(33,746,682)	-95%	1,220,384	34,276,706	2809%
Interest expense	--	67	(67)	-100%	7,164	(7,097)	-99%
Total operating expenses	1,750,408	35,497,157	(33,746,749)	-95%	1,227,548	34,269,609	2792%
Change in net position	<u>\$ 1,805,745</u>	<u>\$ (15,981,351)</u>	<u>\$ 17,787,096</u>	-111%	<u>\$ 2,831,957</u>	<u>\$ (18,813,308)</u>	-664%
Beginning net position, restated	21,538,837	37,520,188	(15,981,351)	-43%	34,688,231	2,831,957	8%
Ending net position	<u>\$ 23,344,582</u>	<u>\$ 21,538,837</u>	<u>\$ 1,805,745</u>	8%	<u>\$ 37,520,188</u>	<u>\$ (15,981,351)</u>	-43%



**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Years Ended June 30, 2024 and 2023

***Fund Financial Statements***

The fund financial statements provide a detailed short-term view of the activity in the Authority's two special revenue funds - TIF and Skirvin Hotel Project. The information helps to determine the amount of current financial resources available and focuses on how money flows in and out of each fund and the balances available at year-end.

***Condensed Fund Financial Statements for TIF Fund***

	2024	2023	Change	% Change	2022	Change	% Change
<b>TIF 1</b>							
Total assets	\$ 14,550,043	\$ 13,354,382	\$ 1,195,661	9%	\$ 34,271,956	\$ (20,917,574)	-61%
Total liabilities	(615,300)	(1,157,142)	541,842	-47%	(10,321,528)	9,164,386	-89%
Deferred inflows of resources	(5,179,040)	(5,117,843)	(61,197)	1%	(4,986,111)	(131,732)	3%
 Fund balance	 \$ 8,755,703	 \$ 7,079,397	 \$ 1,676,306	 24%	 \$ 18,964,317	 \$ (11,884,920)	 -63%
 Taxes	 \$ 2,864,473	 \$ 2,679,838	 \$ 184,635	 7%	 \$ 3,713,913	 \$ (1,034,075)	 -28%
Other income	115,935	626,726	(510,791)	-82%	88,307	538,419	610%
 Total revenues	 2,980,408	 3,306,564	 (326,156)	 -10%	 3,802,220	 (495,656)	 -13%
  Research Park related expenditures	  106,560	  112,805	  (6,245)	  -6%	  104,750	  8,055	  8%
Administration	629,311	19,659,444	(19,030,133)	-97%	696,820	18,962,624	2721%
Other	568,231	346,461	221,770	64%	93,400	253,061	271%
Debt services							
Principal	--	72,707	(72,707)	-100%	869,600	(796,893)	-92%
Interest	--	67	(67)	-100%	7,164	(7,097)	-99%
 Total expenditures	 1,304,102	 20,191,484	 (18,887,382)	 -94%	 1,771,734	 18,419,750	 1040%
Long-term debt issued	--	5,000,000	(5,000,000)	-100%	--	5,000,000	100%
Total other financing sources	--	5,000,000	(5,000,000)	-100%	--	5,000,000	100%
 Change in fund balance	 \$ 1,676,306	 \$ (11,884,920)	 \$ 13,561,226	 114%	 \$ 2,030,486	 \$ (13,915,406)	 -685%

The change in fund balance for the TIF Fund was an increase in 2024 of \$1,676,306 and a decrease in 2023 of \$11,884,920. The increase in 2024 and the decrease in 2023 was primarily driven by the activity of non-capital related economic development costs for the Innovation District project in both years.

***Condensed Fund Financial Statements for Skirvin Hotel Project Fund***

	2024	2023	Change	% Change	2022	Change	% Change
<b>Skirvin Hotel Project</b>							
Total assets	\$ --	\$ 15,078,474	\$ (15,078,474)	-100%	\$ 9,895,933	\$ 5,182,541	52%
Deferred inflows of resources	--	(15,078,474)	15,078,474	-100%	(364,669)	(14,713,805)	4035%
 Fund balance	 \$ --	 \$ --	 \$ --	 0%	 \$ 9,531,264	 \$ (9,531,264)	 -100%
 Rental income	 --	 \$ 5,040,403	 \$ (5,040,403)	 100%	 \$ --	 \$ 5,040,403	 100%
Interest income on loans	--	490,272	(490,272)	-100%	273,502	216,770	79%
Investment income	--	98,996	(98,996)	-100%	61	98,935	162189%
 Total revenues	 --	 5,629,671	 (5,629,671)	 -100%	 273,563	 5,356,108	 1958%
 Expenditures	 --	 15,160,935	 (15,160,935)	 100%	 --	 15,160,935	 100%
 Change in fund balance	 \$ --	 \$ (9,531,264)	 \$ 9,531,264	 100%	 \$ 273,563	 \$ (9,804,827)	 -3584%

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Years Ended June 30, 2024 and 2023

In 2024 final debt payments were made and the Skirvin Hotel Project Fund became inactive. The change in fund balance for the Skirvin Hotel Project in 2023 was a decrease of \$9,531,264. The change in 2023 was due to the Skirvin Hotel sale and repayment of the outstanding note receivable.

The fund balances for both the TIF and the Skirvin Hotel Project are restricted for debt service, TIF activities, and economic development activities.

***Capital Assets, Net of Accumulated Depreciation***

**Capital Assets**

The Authority's investment in capital assets, net of accumulated depreciation, as of June 30, 2024, was \$14,409,839. The increase of \$68,242 from June 30, 2023 as compared to an increase of \$10,595,063 or 283% from June 30, 2022, is primarily because of a slowdown in work on the Innovation project as construction nears completion. The increase in 2023 is primarily related to construction in progress and contribution of land related to the Innovation District Project. See Note 6 to the accompanying financial statements for more information regarding capital assets.

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>% Change</u>	<u>2022</u>	<u>Change</u>	<u>% Change</u>
Non-depreciable assets							
Land	\$ 1,319,557	\$ 1,449,557	\$ (130,000)	-9%	\$ 506,891	\$ 942,666	186%
Assets held for sale	401,295	401,295	--	0%	401,295	--	0%
Construction on progress	10,432,871	9,943,516	489,355	5%	--	9,943,516	100%
Total non-depreciable assets	12,153,723	11,794,368	359,355	3%	908,186	10,886,182	1199%
Depreciable assets							
Buildings	2,256,116	2,547,229	(291,113)	-11%	2,838,348	(291,119)	-10%
Total capital assets	<u>\$ 14,409,839</u>	<u>\$ 14,341,597</u>	<u>\$ 68,242</u>	0%	<u>\$ 3,746,534</u>	<u>\$ 10,595,063</u>	283%

**Long-Term Debt**

At the end of fiscal years 2024 and 2023, the Authority had no long-term debt. The Authority does have a \$5,000,000 payable due to OCEDT at the end of fiscal years 2024 and 2023. See Note 8 to the accompanying financial statements for more information regarding debt.

***Economic Factors***

The Authority is designated to receive tax apportionment revenues for TIF Districts 1, 7, and 11. To date, the Authority has collected approximately \$33,827,000, \$3,537,000, and \$3,212,000 for TIF 1, TIF 7, and TIF 11, respectively. Revenues will be collected throughout the life of the TIF Districts and used for economic development projects within the project areas. The Skirvin Hotel sold in fiscal year 2023 and the hotel repaid the outstanding note receivable and made a ground lease payment in 2023. The proceeds of which were repaid to the City in 2024. The Skirvin fund became inactive in fiscal year 2024.

The Convergence Project, which is included within the established Innovation District, was funded during fiscal year 2023. The development will be for a major mixed-use project consisting of an office tower, building for research labs and office space, a parking garage, hotel, amenity deck, public realm open-air community environment and the building of the Innovation Hall. Upon completion, Innovation

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

Years Ended June 30, 2024 and 2023

Hall will be owned by the Authority. The project will generate a minimum tax payment. Net tax-apportionment revenues from the project will be used to pay related debt and fund future projects in the Innovation District.

***Contacting the Authority's Management***

This financial report is designed to provide a general overview of the Authority's finances, comply with finance-related laws and regulations, and demonstrate commitment to public accountability. If anyone has questions about this report or would like to request additional information, please contact the Authority's general manager at 105 N. Hudson, Suite 101, Oklahoma City, Oklahoma 73102.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
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STATEMENTS OF NET POSITION

June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
<b>Current assets</b>		
Cash	\$ 1,853,320	\$ 18,628,767
Investments, at fair value	3,238,540	--
Due from other governments	398,433	353,717
Payments in lieu of taxes receivable	282,323	281,455
Interest receivable	95,174	74,490
Total current assets	<u>5,867,790</u>	<u>19,338,429</u>
<b>Capital assets</b>		
Land	1,319,557	1,449,557
Building held for sale	401,295	401,295
Construction in progress	10,432,871	9,943,516
Buildings, net	2,256,116	2,547,229
Total capital assets	<u>14,409,839</u>	<u>14,341,597</u>
<b>Other non-current assets</b>		
Due from other governments	4,408,181	4,408,181
Notes receivable	4,274,072	4,686,246
Total other non-current assets	<u>8,682,253</u>	<u>9,094,427</u>
Total assets	<u>28,959,882</u>	<u>42,774,453</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Current portion of long-term debt	42,143	--
Accounts payable	31,141	37,277
Funds held on behalf of other governments	570,429	16,138,258
Due to Urban Renewal	13,730	60,081
Total current liabilities	<u>657,443</u>	<u>16,235,616</u>
<b>Noncurrent liabilities</b>		
Due to OKC Economic Development Trust	4,957,857	5,000,000
Total liabilities	<u>5,615,300</u>	<u>21,235,616</u>
<b>Net Position</b>		
Net investment in capital assets	14,008,544	13,940,302
Restricted for economic development activities	9,336,038	7,598,535
Total net position	<u>\$ 23,344,582</u>	<u>\$ 21,538,837</u>

The accompanying notes are an integral  
part of these financial statements.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
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**STATEMENTS OF ACTIVITIES**

Years Ended June 30, 2024 and 2023

		<b>Program Revenues</b>		
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Net Revenue (Expense) and Change in Net Position</b>
<b>2024</b>				
<b>Governmental activities</b>				
Economic development	\$ 1,750,408	\$ --	\$ --	\$ (1,129,505)
Total primary government	<u>\$ 1,750,408</u>	<u>\$ --</u>	<u>\$ --</u>	<u>(1,129,505)</u>
<b>General Revenues</b>				
Apportioned ad valorem taxes				1,131,037
Payments in lieu of taxes				<u>1,804,213</u>
Total general revenues				<u>2,935,250</u>
<b>Change in net position</b>				1,805,745
<b>Net position, beginning of year</b>				<u>21,538,837</u>
<b>Net position, end of year</b>				<u>\$ 23,344,582</u>
<b>2023</b>				
<b>Governmental activities</b>				
Economic development	\$ 35,497,090	\$ --	\$ --	\$ (18,705,056)
Interest expense	67	--	--	<u>(67)</u>
Total primary government	<u>\$ 35,497,157</u>	<u>\$ --</u>	<u>\$ --</u>	<u>(18,705,123)</u>
<b>General Revenues</b>				
Apportioned ad valorem taxes				921,281
Payments in lieu of taxes				<u>1,802,491</u>
Total general revenues				<u>2,723,772</u>
<b>Change in net position</b>				(15,981,351)
<b>Net position, beginning of year</b>				<u>37,520,188</u>
<b>Net position, end of year</b>				<u>\$ 21,538,837</u>

The accompanying notes are an integral part of these financial statements.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**BALANCE SHEETS - GOVERNMENTAL FUNDS**

June 30, 2024 and 2023

	<b>2024</b>		
	<b>TIF</b>	<b>Skirvin Hotel Project</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
Cash	\$ 1,853,320	\$ --	\$ 1,853,320
Investments, at fair value	3,238,540	--	3,238,540
Interest receivable	95,174	--	95,174
Payments in lieu of taxes receivable	282,323	--	282,323
Ad valorem taxes receivable	398,433	--	398,433
Receivables from other governments	4,408,181	--	4,408,181
Notes receivable, noncurrent	4,274,072	--	4,274,072
Total assets	<u>\$ 14,550,043</u>	<u>\$ --</u>	<u>\$ 14,550,043</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities			
Accounts payable	\$ 31,141	\$ --	\$ 31,141
Funds held on behalf of other governments	570,429	--	570,429
Due to other governments	13,730	--	13,730
Total liabilities	<u>615,300</u>	<u>--</u>	<u>615,300</u>
Deferred inflows of resources	<u>5,179,040</u>	<u>--</u>	<u>5,179,040</u>
Fund balances			
Restricted for:			
Other TIF activities	<u>8,755,703</u>	<u>--</u>	<u>8,755,703</u>
Total fund balances	<u>8,755,703</u>	<u>--</u>	<u>8,755,703</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,550,043</u>	<u>\$ --</u>	<u>\$ 14,550,043</u>

Continued

The accompanying notes are an integral part of these financial statements.

	2023		
	TIF	Skirvin Hotel Project	Total Governmental Funds
<b>Assets</b>			
Cash	\$ 3,550,293	\$ 15,078,474	\$ 18,628,767
Interest receivable	74,490	--	74,490
Payments in lieu of taxes receivable	281,455	--	281,455
Ad valorem taxes receivable	353,717	--	353,717
Receivables from other governments	4,408,181	--	4,408,181
Notes receivable, noncurrent	4,686,246	--	4,686,246
Total assets	<u>\$ 13,354,382</u>	<u>\$ 15,078,474</u>	<u>\$ 28,432,856</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
Liabilities			
Accounts payable	\$ 37,277	\$ --	\$ 37,277
Funds held on behalf of other governments	1,059,784	15,078,474	16,138,258
Due to other governments	60,081	--	60,081
Total liabilities	<u>1,157,142</u>	<u>15,078,474</u>	<u>16,235,616</u>
Deferred inflows of resources	<u>5,117,843</u>	<u>--</u>	<u>5,117,843</u>
Fund balances			
Restricted for:			
Other TIF activities	<u>7,079,397</u>	<u>--</u>	<u>7,079,397</u>
Total fund balances	<u>7,079,397</u>	<u>--</u>	<u>7,079,397</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 13,354,382</u>	<u>\$ 15,078,474</u>	<u>\$ 28,432,856</u>

The accompanying notes are an integral  
part of these financial statements.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**RECONCILIATION OF THE BALANCE SHEETS – GOVERNMENTAL FUNDS TO  
THE STATEMENTS OF NET POSITION**

June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Total fund balance - governmental funds	\$ 8,755,703	\$ 7,079,397
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements		
Land	1,319,557	1,449,557
Building held for sale	401,295	401,295
Construction in progress	10,432,871	9,943,516
Buildings, net of accumulated depreciation; 2024 - \$5,021,695, 2023 - \$4,730,582	2,256,116	2,547,229
Revenues not collected within the 90 day availability period are deferred in the fund financial statements, but are recognized as revenue in the government-wide financial statements	5,179,040	5,117,843
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the fund financial statements		
Long-term debt	<u>(5,000,000)</u>	<u>(5,000,000)</u>
Total net position - governmental activities	<u>\$ 23,344,582</u>	<u>\$ 21,538,837</u>

The accompanying notes are an integral  
part of these financial statements.



**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – GOVERNMENTAL FUNDS**

June 30, 2024 and 2023

	<b>2024</b>		
	<b>TIF</b>	<b>Skirvin Hotel Project</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>			
Apportioned ad valorem taxes	\$ 1,042,257	\$ --	\$ 1,042,257
Payments in lieu of taxes	1,803,344	--	1,803,344
Interest income paid on tax deposits held by the Oklahoma County Treasurer	18,872	--	18,872
Investment income	115,935	--	115,935
Total revenues	<u>2,980,408</u>	<u>--</u>	<u>2,980,408</u>
<b>Expenditures</b>			
Biomedical, biopharmaceutical, and technological research and development facilities and other public research park improvements	106,560	--	106,560
Economic development and redevelopment activities with the Harrison-Walnut Urban Renewal Plan	568,231	--	568,231
Administration and other project development costs	629,311	--	629,311
Total expenditures	<u>1,304,102</u>	<u>--</u>	<u>1,304,102</u>
Excess of revenues over expenditures	<u>1,676,306</u>	<u>--</u>	<u>1,676,306</u>
Net change in fund balances	1,676,306	--	1,676,306
<b>Fund balances, beginning of year</b>	<u>7,079,397</u>	<u>--</u>	<u>7,079,397</u>
<b>Fund balances, end of year</b>	<u>\$ 8,755,703</u>	<u>\$ --</u>	<u>\$ 8,755,703</u>

Continued

The accompanying notes are an integral  
part of these financial statements.

	2023		
	TIF	Skirvin Hotel Project	Total Governmental Funds
<b>Revenues</b>			
Apportioned ad valorem taxes	\$ 942,789	\$ --	\$ 942,789
Payments in lieu of taxes	1,724,983	--	1,724,983
Interest income paid on tax deposits held by the Oklahoma County Treasurer	12,066	--	12,066
Rental income on loans	--	5,040,403	5,040,403
Interest income on loans	--	490,272	490,272
Investment income	626,726	98,996	725,722
Total revenues	<u>3,306,564</u>	<u>5,629,671</u>	<u>8,936,235</u>
<b>Expenditures</b>			
Biomedical, biopharmaceutical, and technological research and development facilities and other public research park improvements	112,805	--	112,805
Economic development and redevelopment activities with the Harrison-Walnut Urban Renewal Plan	346,461	--	346,461
Administration and other project development costs	19,659,444	--	19,659,444
Payments due to other governments	--	15,160,935	15,160,935
Debt service			
Principal	72,707	--	72,707
Interest	67	--	67
Total expenditures	<u>20,191,484</u>	<u>15,160,935</u>	<u>35,352,419</u>
Excess of revenues over expenditures	<u>(16,884,920)</u>	<u>(9,531,264)</u>	<u>(26,416,184)</u>
<b>Other financing sources (uses)</b>			
Long-term debt issued	5,000,000	--	5,000,000
Total other financing sources (uses)	<u>5,000,000</u>	<u>--</u>	<u>5,000,000</u>
Net change in fund balance	<u>(11,884,920)</u>	<u>(9,531,264)</u>	<u>(21,416,184)</u>
<b>Fund balances, beginning of year</b>	<u>18,964,317</u>	<u>9,531,264</u>	<u>28,495,581</u>
<b>Fund balances, end of year</b>	<u>\$ 7,079,397</u>	<u>\$ --</u>	<u>\$ 7,079,397</u>

The accompanying notes are an integral part of these financial statements.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENTS OF ACTIVITIES**

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Net change in fund balances - governmental funds	\$ 1,676,306	\$ (21,416,184)
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund financial statements		
Apportioned ad valorem taxes	45,584	117,608
Investment income receivable	15,613	(350,545)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of assets are allocated over their estimated useful lives and reported as depreciation expense. Reconciling items related to capital assets include the following:		
Depreciation expense	(291,113)	(291,119)
Disposition of land	(130,000)	--
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources	489,355	10,886,182
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Reconciling items related to long-term debt include the following:		
Issuance of long-term debt	--	(5,000,000)
Principal payments on debt agreements and notes payable	--	72,707
Total change in net position - governmental activities	<u>\$ 1,805,745</u>	<u>\$ (15,981,351)</u>

The accompanying notes are an integral  
part of these financial statements.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

The Oklahoma City Redevelopment Authority (Authority) was formed as a public trust on May 7, 1985. This Declaration of Trust named the City of Oklahoma City, Oklahoma (City) as the beneficiary of the trust. The purposes of the Authority are set forth in the Declaration of Trust.

The Authority is governed by a Board of Trustees nominated by the Mayor and approved by the City Council. For financial reporting purposes, the Authority is a component unit of the City.

Presently, the Authority has no employees but utilizes the Oklahoma City Urban Renewal Authority (Urban Renewal) to perform administrative activities.

The Authority has been designated as the entity to receive tax apportionment revenues for certain Tax Increment Financing (TIF) Districts of the City. The following TIFs are administered by the Authority:

**TIF 1 and TIF 7** - Oklahoma Health Center Economic Development - Total budget of \$68,000,000 plus interest and the cost of issuance of bonds to finance the project.

**TIF 11** - On December 20, 2016, the City Council approved the Oklahoma Regional Innovation District Project Plan, an Amended Oklahoma Health Center Economic Development Project Plan, to support an economic development strategy in and around the area known as the Oklahoma Health Center. The amended plan increased the Project Area, reduced the size of TIF 1 and TIF 7, and established TIF 11. The authorized budgets for TIF 1 and TIF 7 are unchanged. TIF 11 has an authorized revenue budget of \$52,000,000. Districts M and N were also created for future potential development opportunities and may be activated by the City Council within 10 years of approval of the Oklahoma Regional Innovation District Project Plan.

**TIF 17** - On May 23, 2023, City Council approved the First Amendment to the Oklahoma Regional Innovation District Project Plan which further increased the Project Area and established TIF 17 (a sales tax increment district) and TIF P (an ad valorem increment district to be activated by the City Council within 10 years of the approval of the First Amendment). The authorized budget for TIF 17 is \$2,500,000.

The Districts have defined project areas and tax increment areas. TIF 1 terminated at June 30, 2022. TIF 7 is presently scheduled to terminate at June 30, 2032. TIF 11 is set to expire June 30, 2042. TIF 17 is set to expire June 30, 2028.

***Reporting Entity***

The Authority's financial statements are included in the financial statements of the City as a discretely presented component unit. The Authority is discretely presented because the majority of the Board is not the same as the voting majority of the City Council. These financial statements include only the activities of the Authority and not those of Urban Renewal.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Basis of Presentation***

The Authority complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent sections of this note.

***Government-Wide Financial Statements***

The accompanying government-wide statements of net position and statements of activities display information about the Authority as a whole. The Authority's activities are all governmental in nature and generally are financed primarily through ad valorem taxes and payments in lieu of taxes. The Authority has no business-type activities as defined by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

***Fund Financial Statements***

Fund financial statements are normally organized into funds, each of which is considered to be a separate accounting entity. A fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. For the financial statement presentation, the Authority presently has two special revenue funds:

- TIF - Accounts for the activities of the TIFs
- Skirvin Hotel Project - The Authority, Urban Renewal, and the City have assisted in the renovation of the historic Skirvin Hotel. Activities include collection of lease revenue and ongoing debt service. The renovation involved both public and private funds. In 2023, the hotel was sold and in 2024 the fund became inactive.

***Measurement Focus***

On the government-wide financial statements, the Authority's activities are presented using the economic resources measurement focus as defined below:

- The accompanying government-wide statements of net position and statements of activities utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of net position and the changes thereof. All assets and liabilities (whether current or noncurrent) associated with their activities are reported.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

In the fund financial statements, the current financial resources measurement focus is used as defined below:

- The governmental funds utilize a current financial resources measurement focus. Only current financial assets and liabilities are generally included on the balance sheets. The statements of revenues, expenditures, and changes in fund balances present sources and uses of available spendable financial resources during a given period. The statements use fund balances as the measure of available spendable financial resources at the end of the period.

***Basis of Accounting***

In the government-wide statements of net position and statements of activities, the Authority's activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic assets are used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange transaction takes place.

In the fund financial statements, the governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when measurable and available. The Authority considers all revenue to be available if the revenue is collected within 60 days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest, which are reported when due.

***Accounting Policies***

The Authority's significant accounting policies related to the following basic financial statement categories are summarized below:

**Cash Equivalents**

The Authority considers all liquid debt instruments purchased with a maturity of three months or less and money market mutual funds to be cash equivalents. At June 30, 2024 and 2023, the Authority did not own any cash equivalents.

**Investment and Investment Income**

Investments in U.S. Treasuries and negotiable certificates of deposit are carried at fair value. Fair value is determined from quoted market prices. Investment income consists of interest income and the net change for the year in the fair value of the investments carried at fair value.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

The Authority generally capitalizes purchased or constructed assets with useful lives of more than one year and having costs of \$7,500 or greater. Capital assets are valued at historical cost or estimated historical cost. The Authority has chosen the straight-line depreciation method for its capital assets based on the estimated useful lives of the capital assets. The Authority depreciates the buildings and structures currently on its books over a 25-year useful life.

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources, liabilities and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Taxes**

The Authority is a governmental agency organized under the laws of the state of Oklahoma and is not subject to federal or state income taxes.

***Deferred Inflows of Resources***

The Authority reports an acquisition of net position that is applicable to a future reporting period as deferred inflows of resources in a separate section of its balance sheets - governmental funds. Deferred inflows of resources of \$5,179,040 and \$5,117,843 at June 30, 2024 and 2023, respectively, were comprised of ad valorem taxes, related-party balances, and deferred interest payments to be received in future reporting periods.

***Net Position/Fund Balance Classifications***

**Government-Wide Statements**

The net position of the Authority is classified in three components:

- **Net Investments in Capital Assets** - Represents the net investment in capital assets less the debt associated with the capital assets.
- **Restricted** - Represents net position that has been restricted by outside sources, including the City and relevant Oklahoma Statutes. The net position has been restricted for debt service and economic development.
- **Unrestricted** - Represents the remaining net position, if any.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Financial Statements**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, defines fund balances for presentation as follows:

- **Nonspendable** - Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This would include items not expected to be converted to cash.
- **Restricted** - Consists of fund balance amounts with constraints placed on the use of the resources either by (a) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
- **Committed** - Reflects specific purposes pursuant to constraints imposed by formal action of the Authority's highest level of decision-making authority (the Board of Trustees). Also, such constraints can only be removed or changed by the same form or formal action.
- **Assigned** - Reflects fund balance amounts that are constrained by the Authority's intent to be used for specific purposes but meet neither the restricted nor committed forms of constraint.
- **Unassigned** - Represents fund balance amounts that have not been assigned to other funds and have not been restricted, committed, or assigned to specific purposes.

Based on the above definitions, the components of the Authority's fund balances are as follows:

- **Restricted** - The Skirvin Hotel Project activities in TIF 2 are reflected as restricted due to conditions imposed by either financing documents or the City's approvals. TIF 2 is now being administered by the City. The remaining fund balance in TIF is reflected as restricted for other TIF activities.

**Program Revenues**

The primary sources of program revenues for the Authority are capital contributions and interest income earned on investments restricted for economic development activity.

**Annual Budget-to-Actual Comparison**

The Authority is not required to and does not prepare a legally adopted annual budget. Therefore, an annual budget-to-actual comparison, as required by GASB 34, is not presented as "required supplementary information."

The Authority does prepare a budget-to-actual expenditure comparison (project life-to-date) that has been presented as other information.



**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***New Accounting Pronouncements Adopted in Fiscal Year 2024***

The Authority implemented GASB Statement No. 100, *Accounting Changes and Error Corrections*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. This standard did not have a material impact on the Authority's financial statements.

**2. DEPOSITS AND INVESTMENTS**

***Deposits***

**Custodial credit risk** is the risk that in the event of the failure of a counterparty the Authority will not be able to recover the value of its investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the Authority, or are held by a counterparty or the counterparty's trust department but not in the name of the Authority.

The policy of the Authority is to require all deposits be maintained in accounts that are fully insured or collateralized. As of June 30, 2024 and 2023, the Authority had no uninsured or uncollateralized deposits. The Authority requires investment collateral be held by a third-party custodian with whom the Authority has a current custodial agreement in the Authority's name.

Carrying values of the deposits of the Authority at June 30, 2024 and 2023 were \$1,853,320 and \$18,628,767, respectively, while bank balances were \$2,230,308 and \$18,655,638, respectively.

***Investments***

The Authority had investments of \$3,238,540 consisting of U.S. Treasuries and negotiable certificates of deposit as of June 30, 2024. The Authority had no investments at June 30, 2023.

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in an active market for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

At June 30, 2024, the Authority had the following investments and maturities:

<b>Type</b>	<b>Fair Value</b>	<b>Maturities in Years</b>		<b>Fair Value Hierarchy</b>
		<b>Less than 1</b>	<b>1-5</b>	
US treasury obligations	\$ 493,540	\$ 493,540	\$ --	Level 2
Certificates of deposit	2,745,000	1,995,000	750,000	N/A
Investments per statement of net position	<u>\$ 3,238,540</u>	<u>\$ 2,488,540</u>	<u>\$ 750,000</u>	

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

**Credit risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with the Authority's investment policy and complying with state statutes. The Authority may be invested in: 1) direct obligations of the United States government, its agencies or instrumentalities to the payment of which the full faith and credit of the government of the United States is pledged; 2) bonds or other legally created general obligations of the state of Oklahoma, or an agency or political subdivision of the State of Oklahoma; 3) Federal agency or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those insured by or fully guaranteed as principal and interest by federal agencies or U.S. government-sponsored enterprises; 4) collateralized or insured certificates of deposit and other evidence of deposits at banks, savings banks, savings and loan associations and credit unions located in Oklahoma when secured by appropriate collateral or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located outside of Oklahoma; and 5) savings accounts or savings certificates of savings and loan associations, banks, and credit unions, to the extent the accounts are fully insured by the Federal Deposit Insurance Corporation.

**Interest rate risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The policy provides that, to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from overconcentration of assets in a specific maturity period, a single issuer or an individual class of securities.

**Concentration of credit risk** is the risk of loss attributed to the magnitude of the investment in a single issuer. The Authority's investment policy stipulates no more than 75% of the total funds available for investment may be placed in any one authorized institution. Of the funds invested, up to 100% may be invested with a maturity date of two years or less, up to 30% may be invested with a maturity of two to three years, up to 10% may be invested with a maturity of three to five years, and up to 5% may be invested with a maturity of five to 30 years.

**3. DUE FROM OTHER GOVERNMENTS**

Amounts due to the Authority from other governments at June 30 consisted of the following:

	<u>2024</u>	<u>2023</u>
TIF 1 funds held by the Oklahoma County Treasurer	\$ 398,433	\$ 353,717
Due from Urban Renewal	4,408,181	4,408,181
	<u>\$ 4,806,614</u>	<u>\$ 4,761,898</u>

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**4. NOTES RECEIVABLE**

***Page Woodson Development, LLC***

In March 2016, the Authority agreed to loan Page Woodson Development, LLC up to \$9,150,000. The loan is secured with the Authority's Subordinated Mortgage and bears interest at the rate of 0.25% with interest payable annually. The note matures March 18, 2051, at which time all principal and accrued unpaid interest is due. The agreement provides for a forgiveness by the Authority clause where the Authority in its sole discretion shall have the right to forgive all or a portion of the loan on or after March 18, 2036 and the agreement requires the payment of minimum tax by Page Woodson Development, LLC. At June 30, 2024 and 2023, \$5,650,000 was advanced under this loan agreement. An allowance has been recorded the equal to the amount of minimum tax paid to date totaling \$1,375,928 and \$963,754, at June 30, 2024 and 2023, respectively. Interest income of \$14,124 was recognized during the years ended June 30, 2024 and 2023 in the accompanying government-wide statements of activities.

Future principal and interest payments on the notes as of June 30, 2024 are as follows:

<b>Year Ended June 30,</b>	<b>Page Woodson TIF Loan Receivable</b>	
	<b>Principal</b>	<b>Interest</b>
2025	\$ --	\$ --
2026	--	--
2027	--	--
2028	--	--
2029	--	--
2030 - 2034	--	--
2035 - 2039	--	--
2040 - 2044	--	--
2045 - 2049	--	--
2050 - 2051	5,650,000	469,995
	<u>\$ 5,650,000</u>	<u>\$ 469,995</u>

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**5. CAPITAL ASSETS AND ASSETS HELD FOR SALE**

Capital assets activity for the periods ended June 30, 2024 and 2023 was:

<b>2024</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Disposals</b>	<b>Ending Balance</b>
Non-depreciable capital assets				
Land	\$ 1,449,557	\$ --	\$ (130,000)	\$ 1,319,557
Construction in progress	9,943,516	489,355	--	10,432,871
Brockway Center (held for sale)	401,295	--	--	401,295
Total non-depreciable capital assets	<u>11,794,368</u>	<u>489,355</u>	<u>(130,000)</u>	<u>12,153,723</u>
Buildings	7,277,811	--	--	7,277,811
Less accumulated depreciation	<u>(4,730,582)</u>	<u>(291,113)</u>	<u>--</u>	<u>(5,021,695)</u>
Buildings, net	<u>2,547,229</u>	<u>(291,113)</u>	<u>--</u>	<u>2,256,116</u>
Total capital assets and assets held for sale, net	<u>\$ 14,341,597</u>	<u>\$ 198,242</u>	<u>\$ (130,000)</u>	<u>\$ 14,409,839</u>
<b>2023</b>				
Non-depreciable capital assets				
Land	\$ 506,891	\$ 942,666	\$ --	\$ 1,449,557
Construction in progress	--	9,943,516	--	9,943,516
Brockway Center (held for sale)	401,295	--	--	401,295
Total non-depreciable capital assets	<u>908,186</u>	<u>10,886,182</u>	<u>--</u>	<u>11,794,368</u>
Buildings	7,277,811	--	--	7,277,811
Less accumulated depreciation	<u>(4,439,463)</u>	<u>(291,119)</u>	<u>--</u>	<u>(4,730,582)</u>
Buildings, net	<u>2,838,348</u>	<u>(291,119)</u>	<u>--</u>	<u>2,547,229</u>
Total capital assets and assets held for sale, net	<u>\$ 3,746,534</u>	<u>\$ 10,595,063</u>	<u>\$ --</u>	<u>\$ 14,341,597</u>

***Buildings***

The Authority owns two buildings as of June 30, 2023. One is the Cytovance project, of which the Authority funded a portion of the construction. The building was completed during the year ended June 30, 2007, and depreciation commenced at that time. The building is being depreciated over a 25-year life using the straight-line method of depreciation. Depreciation expense was \$291,113 for the year ended June 30, 2024 and \$291,119 for the year ended June 30, 2023.

The second is the Brockway Center (the Center), a landmark in Oklahoma City with historical significance. The Authority purchased this building in October 2019 for approximately \$401,000 in order to prevent the Center from being demolished. The Authority does not have any plans to use the Center in its operations and will send out requests for proposals for a buyer

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**5. CAPITAL ASSETS AND ASSETS HELD FOR SALE (CONTINUED)**

that will preserve the site. Because the Center is being held for sale, no depreciation was taken during the year ended June 30, 2024 or 2023.

***Land***

During the year ended June 30, 2006, the City contributed the land and building of the Skirvin Hotel to the Authority. The government-wide financial statements accounted for the transaction as contributed capital assets with an appraised value of \$130,000 for the land. The authority leased the land beneath the Skirvin Hotel to Skirvin Partners, LLC, as more fully described in Note 11. During the year ended June 30, 2024, the Authority recognized the disposal of this land.

In September 2019, the Authority purchased land located at the southeast corner of North E.K. Gaylord Boulevard and Northwest 4<sup>th</sup> Street for approximately \$4,400,000. After the purchase, the property was transferred to Urban Renewal, a related party. Urban Renewal has conveyed a portion of the land to the Oklahoma City Redevelopment Corporation (OCRC) pursuant to a contract for sale of the land and obligations for a certain redeveloper to develop the land. The redeveloper has a lease agreement with OCRC. OCRC will give the lease payments to Urban Renewal, who will use these payments against the purchase price. The remaining land remains in title with Urban Renewal to be leased for interim use in connection with the adjacent property.

The Authority has recognized a receivable from other governments at June 30, 2024 and 2023 for an amount equal to the full purchase price.

During the year ended June 30, 2023, the Convergence Project began. Through the agreements the Authority will own the land airspace rights and Innovation Hall building once completed. Land airspace rights were transferred to the Authority from the Developer of the project valued at \$942,666.

***Construction in progress***

During the year ended June 30, 2023, construction started on Innovation Hall, which falls within the Convergence Project. The Authority transferred \$489,355 and \$9,943,516 to the developer of the Innovation District related to the building of Innovation Hall during the years ended June 30, 2024 and 2023, respectively.

**6. PAYMENTS IN LIEU OF TAXES**

In October 2011, a Supplemental Redevelopment Agreement was entered into by and among Urban Renewal, PHF, and the Toby Keith Foundation (TKF) for the development of OK Kids Korral. As part of the sale of the Research Park by PHF to the University of Oklahoma (OU) in October 2013, PHF assigned the OK Kids Korral Supplemental Redevelopment Agreement and the OK Kids Korral Ground Lease Agreement to OU. As part of the Supplemental Redevelopment Agreement and the Ground Lease Agreement, TKF is subject to payments in lieu of ad valorem taxes (PILOT). These payments are payable to the Authority on December 31 beginning in the year of completion of the improvements and each year thereafter.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. PAYMENTS IN LIEU OF TAXES (CONTINUED)**

The OK Kids Korral was completed in November 2013, and the Authority recognized \$50,000 in PILOT on behalf of OK Kids Korral for the years ended June 30, 2024 and 2023.

The donation of the GE Global Research Building to Oklahoma State University in 2020 triggered a PILOT due based on a covenant in the land deed and will be due annually from any nonprofit owner of the property until TIF 11 expires. The Authority received \$531,820 and \$509,347 in PILOT in the years ended June 30, 2024 and 2023, respectively.

In 2018, OU Medicine, Inc., acquired a series of hospitals and medical facilities around Oklahoma City. As a result of that transaction, OU Medicine, Inc., agreed to pay an annual PILOT for up to ten years related to the acquired facilities in the Innovation District TIF. The Authority receives a set amount of \$1,165,636 annually and received that amount in each of the years ended June 30, 2024 and 2023.

As described in Note 4, In March 2016, the Authority entered into a loan agreement with Page Woodson Development, LLC, which included provisions for a minimum tax payment. The Authority recognizes the difference between the minimum payment due and ad valorem taxes received as a PILOT receivable. As of June 30, 2024 and 2023, this receivable totaled \$282,323 and \$281,455, respectively. The Authority received \$55,888 and \$0 in minimum tax payments in the years ended June 30, 2024 and 2023, respectively.

**7. FUNDS HELD ON BEHALF OF OTHER GOVERNMENTS**

In January 2022, the Authority entered into a master development agreement with the City and a developer related to the development of Innovation Hall and related infrastructure, a project approved by Oklahoma City voters in 2019 by passage of the Metropolitan Area Projects (MAPS 4) sales tax. The master development agreement provided for \$10,000,000 in MAPS 4 funds to be transferred from the City to the Authority to match up to \$10,000,000 raised from non-MAPS sources. In March 2023, the master development agreement was amended providing an additional \$1,103,300 of MAPS 4 funds to be transferred from the City to the Authority to help cover furnishings, fixtures and equipment for the Innovation Hall. At June 30, 2024 and 2023, the Authority reported \$570,429 and \$1,059,784, respectively, related to this agreement in funds held on behalf of other governments, pending events that trigger the release of the funds to match the private investment as required by the master development agreement.

In 2023, the Skirvin Hotel sold resulting in the repayment of the Skirvin Hotel note receivable and rent revenue required under the ground lease (see Note 13). The funds received from the sale are required to be paid to the City. At June 30, 2024 and 2023, the Authority owed the City \$0 and \$15,078,474, respectively, related to this transaction.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**8. INTERGOVERNMENTAL PAYABLE**

The Authority entered into an agreement with the Oklahoma City Economic Development Trust (OCEDT) to receive assistance in development financing for the creation of the Convergence project inside of the Innovation District. The development will be for a major mixed-use project consisting of an office tower, building for research labs and office space, a parking garage, hotel, amenity deck, public realm open-air community environment and the building of the Innovation Hall. The loan was dated November 22, 2022 with a five year term for \$5,000,000. Repayment of the loan is based on future collections ad valorem tax receipts within the Innovation District. There is no interest and no set payment schedule, as such, each year the Authority will calculate the current payment due based on ad valorem tax receipts. As of June 30, 2024 and 2023, \$42,143 and \$0, respectively, were recorded as a current liability.

**9. NET POSITION**

The accompanying government-wide statements of net position reflect the following types of net position as of June 30:

- **Net Investment in Capital Assets** - Represents a balance of \$14,008,544 and \$13,940,302 for the years ended June 30, 2024 and 2023, respectively. The debt associated with capital assets had a balance of \$0 at June 30, 2024 and 2023. Assets held for sale of \$401,295 are excluded from net investments in capital assets in both 2024 and 2023.
- **Restricted** - Represents net position that has been restricted by outside sources. The net position restricted for economic development activities was \$9,336,038 and \$7,598,535 (restated) for June 30, 2024 and 2023, respectively.

**10. AD VALOREM TAX REVENUE**

Revenue is generated through apportionment of ad valorem tax increments collected within TIFs. The increment of ad valorem taxes, as defined by the *Oklahoma Local Development Act*, in excess of ad valorem taxes generated by the base assessed value of the TIF District may be apportioned and used to pay project costs authorized by the project plan. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The taxes are collected and distributed by the Oklahoma County Treasurer. Monies not distributed to the Authority are maintained for the benefit of the Authority by the Oklahoma County Treasurer. Interest income is paid by the Oklahoma County Treasurer on monies collected and held for apportionment and distribution.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**10. AD VALOREM TAX REVENUE (CONTINUED)**

A summary of the ad valorem tax revenue for the years ended June 30 is as follows:

	<u>TIF 1</u>	<u>TIF 7</u>	<u>TIF 11</u>	<u>TOTAL</u>
<b>2024</b>				
Tax Year				
2019	\$ --	\$ 3,070	\$ --	\$ 3,070
2020	--	198	--	198
2021	--	240	--	240
2022		2,834	301,670	304,504
2023	--	619,119	115,126	734,245
	--	625,461	416,796	1,042,257
Interest received	--	11,325	7,547	18,872
Net change in tax receivable from Oklahoma County Treasurer	69,908	--	--	69,908
	<u>\$ 69,908</u>	<u>\$ 636,786</u>	<u>\$ 424,343</u>	<u>\$ 1,131,037</u>
	<u>TIF 1</u>	<u>TIF 7</u>	<u>TIF 11</u>	<u>TOTAL</u>
<b>2023</b>				
Tax Year				
2018	\$ --	\$ 2,838	\$ --	\$ 2,838
2019	--	--	11	11
2020	--	660	87,908	88,568
2021		1,856	251,154	253,010
2022	--	573,307	25,055	598,362
	--	578,661	364,128	942,789
Interest received	--	7,406	4,660	12,066
Net change in tax receivable from Oklahoma County Treasurer	(33,574)	--	--	(33,574)
	<u>\$ (33,574)</u>	<u>\$ 586,067</u>	<u>\$ 368,788</u>	<u>\$ 921,281</u>

**11. LEASE AGREEMENT**

The Authority has leased the land beneath the Skirvin Hotel to Skirvin Partners, LLC under a 99-year lease agreement. Payments under the lease are variable and are calculated at 1% of the rent capitalization value of the Skirvin Hotel and the land, calculated annually by capitalizing the net operating income using a rate of 8.5%. Skirvin Partners, LLC has the option to purchase the land at the end of the lease.

All rents collected under the lease agreement are to be used to repay Urban Renewal for funds loaned to the Authority, not to exceed \$1,500,000. The balance of rents collected will be retained by the Authority pending authorization and direction for the use of the revenue by the City Council or its designee. Rent payment is due annually from the Skirvin Hotel, which is based on cash flows of the entity for the fiscal year.



**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**11. LEASE AGREEMENT (CONTINUED)**

During 2019, a joint resolution was passed by the City Council and the Authority designating all annual receipts associated with this agreement to be paid to the City, through the Oklahoma City Economic Development Trust (OCEDT), for the purpose of servicing debt issued for the purpose of the Omni Hotel Funding Plan. Under this joint resolution, the Authority is directed to transfer the accumulated balance of any monies collected by the Authority to OCEDT, net of any contractually required retainage as invoiced by the City. During the year ended 2023, no balances were transferred to OCEDT under this joint resolution. In 2023, the Authority did record \$15,078,474 payable to the City for funds received as a result of the sale of the Skirvin Hotel. During the year ended 2024, \$15,078,474 was transferred to OCEDT under this joint resolution.

Rent revenues recognized under the lease agreement were \$0 and \$5,040,403 for the years ended June 30, 2024 and 2023, respectively. Fiscal year 2023 revenues were a result of the sale of the Skirvin Hotel and termination of the lease.

**12. RELATED-PARTY TRANSACTIONS**

***Urban Renewal***

At June 30, 2024 and 2023, the Authority owed \$13,730 and \$60,081, respectively, of TIF funds to Urban Renewal for administrative costs.

As described in Note 5, during the 2020 fiscal year, the Authority purchased land located at the southeast corner of North E.K. Gaylord Boulevard and Northwest 4<sup>th</sup> Street for approximately \$4,400,000 for the purpose of consolidation with adjacent property and redevelopment in conjunction with Urban Renewal. The land was transferred to Urban Renewal and the entire balance is included as a receivable from other governments in the accompanying statements of net position and balance sheets - governmental funds. A portion of the land has been conveyed to the Oklahoma City Redevelopment Corporation ("OCRC"), a non-profit entity related to Urban Renewal, and will be conveyed to a redeveloper via a long term ground lease. OCRC will receive those lease payments and provide them to Urban Renewal. Another portion of the land remains with Urban Renewal and will be leased to the same redeveloper for use as a parking lot to accompany the adjacent development on an interim basis. Urban Renewal will receive those lease payments as well. Urban Renewal will use these lease payments to repay to the Authority for a portion of the balance owed. The remainder will be paid to the Authority upon Urban Renewal's sale of the portion of the land that Urban Renewal owns once the interim lease for the parking lot is terminated and the opportunity for the full development of that portion of the land is present. At June 30, 2024 and 2023, the receivable is classified as noncurrent in the accompanying statements of net position. As of the date of the independent auditor's report, the balance owed remains due from Urban Renewal.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO THE FINANCIAL STATEMENTS**

**13. RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The significant losses are covered by commercial insurance policies. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

## OTHER INFORMATION

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**BUDGET-TO-ACTUAL EXPENDITURE COMPARISON (PROJECT LIFE-TO-DATE)**

June 30, 2024

<b>TIF 1</b>	<b>Category A</b>	<b>Category B</b>	<b>Category C</b>
Total Budget	\$ 22,000,000	\$ 23,000,000	\$ 2,000,000
Expenditures			
For years 2013 through 2024	(5,090,034)	(611,515)	(577,751)
For years 2012 and prior	<u>(9,720,711)</u>	<u>(22,388,485)</u>	<u>(1,422,249)</u>
Budget amount remaining	<u>\$ 7,189,255</u>	<u>\$ --</u>	<u>\$ --</u>

<b>TIF 7</b>	<b>Category A</b>	<b>Category B</b>	<b>Category C</b>	<b>Category D</b>
Total Budget	\$ 4,000,000	\$ 5,000,000	\$ 1,000,000	\$ 11,000,000
Expenditures				
For years 2013 through 2024	(255,600)	(5,000,000)	(1,000,000)	(2,114,488)
For years 2012 and prior	<u>--</u>	<u>--</u>	<u>--</u>	<u>(504,816)</u>
Budget amount remaining	<u>\$ 3,744,400</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 8,380,696</u>

<b>TIF 11</b>	<b>Category A</b>	<b>Category B</b>	<b>Category C</b>	<b>Category D</b>	<b>Category E</b>
Total Budget	\$ 17,000,000	\$ 9,000,000	\$ 3,000,000	\$ 5,000,000	\$ 18,000,000
Expenditures					
2024	--	(184,172)	(103,774)	--	(263,841)
2023	--	(6,031,799)	(83,005)	--	(307,537)
2022	--	--	--	--	(5,225)
2021	--	--	--	--	(7,487)
2020	--	--	--	--	(2,650)
2019	--	--	--	--	--
2018	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(2,110)</u>
Budget amount remaining	<u>\$ 17,000,000</u>	<u>\$ 2,784,029</u>	<u>\$ 2,813,221</u>	<u>\$ 5,000,000</u>	<u>\$ 17,411,150</u>

<b>TIF 17</b>	<b>Category A</b>	<b>Category B</b>	<b>Category C</b>	<b>Category D</b>	<b>Category E</b>
Total Budget	\$ --	\$ --	\$ --	\$ 2,500,000	\$ --
Expenditures					
2024	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Budget amount remaining	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,500,000</u>	<u>\$ --</u>

In addition, interest and costs of issuance of bonds to finance the project activities are authorized but not budgeted. The schedules above only reflect budgeted TIF categories.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

NOTES TO BUDGET-TO-ACTUAL EXPENDITURE COMPARISON (PROJECT LIFE-TO-DATE)

June 30, 2024

**1. BASIS OF PRESENTATION**

The budget-to-actual comparisons have been prepared on the accrual basis of accounting. All expenditures in the report are recorded when paid or contractually due. The report is not adjusted for deferred inflows or outflows.

**2. EXPENDITURES**

***TIF 1***

TIF 1 expenses incurred by the Authority are classified into three basic categories. The categories defined by the project plan, as amended May 16, 2001, November 30, 2002, August 1, 2006, and December 20, 2016, are as follows:

**Category A: Commercialization of Research and Technology** - The cost of planning; financing; assistance in development financing; and acquiring and constructing research, development, and technological application facilities, business incubators, business accelerators, complementary commercial facilities, and other public research park improvements by the Authority, a public trust, and Urban Renewal, a public body corporate.

**Category B: Place-Making** - The cost of planning; financing; assistance in development financing; acquiring, constructing, and developing public spaces (including meeting space, gathering space, work space, community centers, conference facilities, arts and cultural space, entertainment space, open space, and green space), public ways, parks, parking facilities, and complementary commercial and retail facilities; and supporting public improvements by the Authority, a public trust, and Urban Renewal, a public body corporate.

**Category C: Implementation** - The cost of implementing and administering the project plan incurred or to be incurred by the Authority, a public trust, and Urban Renewal, a public body corporate, including, but not limited to, payment and/or reimbursement of costs advanced in connection with the preparation and approval of the project and project plan, administrative costs, organizational costs, professional service costs, and financing costs and fees.

***TIF 7***

The August 1, 2006 plan amendment added TIF 7 to the project plan. Also amended December 20, 2016, TIF 7 project cost categories follow the definitions above with the addition of Category D, defined as follows:

**Category D: Supporting Development** - The costs of implementing the economic development and redevelopment activities of the Authority, a public trust, in accordance with the Harrison-Walnut Urban Renewal Plan and this project plan, including assistance in development financing; contracts for implementation activities, including relocation and site preparation; and the negotiation, preparation, execution, and implementation of development and redevelopment agreements, including agreements for financing, property acquisition, construction of public improvements, and land disposition, as authorized by the Oklahoma Urban Renewal Law, 11 O.S. § 38-101, et seq.

**OKLAHOMA CITY REDEVELOPMENT AUTHORITY**  
**(A Component Unit of the City of Oklahoma City, Oklahoma)**

**NOTES TO BUDGET-TO-ACTUAL EXPENDITURE COMPARISON (PROJECT LIFE-TO-DATE)**

June 30, 2024

**2. EXPENDITURES (CONTINUED)**

***TIF 11***

The December 20, 2016 plan amendment added TIF 11 to the project plan. TIF 11 cost categories follow the definitions above with the addition of Category E, defined as follows:

**Category E: Specific Revenue Source for Public Entities for Enhanced Education, Skills Training Programs, Internships, and Entrepreneurial Support** - The provision of a specific revenue source from apportioned tax increments for other public entities in the area in order to provide enhanced education (including emphasis on science, technology, engineering, arts, and mathematics - sometimes referred to as STEAM); skills training programs; intern programs; workforce development; and entrepreneurial support for the new employment to be generated by the project. Okla. Const. Art. 10, § 6C; 62 O.S. § 853(9), 14(e), 14(i); and § 854(4).

***TIF17***

The March 24, 2023 plan amendment added TIF 17 to the project plan. TIF 17 costs are limited to and follow the definition above for Category D: Supporting Development.

Tax increments from the TIF Districts can be spent for project costs throughout the project area. Project costs remaining unpaid upon the expiration of TIF District may be paid from increments of the remaining TIF District(s).

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT  
AUDITING STANDARDS*

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Board of Trustees

**Oklahoma City Redevelopment Authority**

Oklahoma City, Oklahoma

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Oklahoma City Redevelopment Authority (Authority), a component unit of the City of Oklahoma City, Oklahoma (City), as of for the year ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 21, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audits of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Allen, Gibbs & Houlik, L.L.C.*

CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS  
November 21, 2023